

Exhibit 1

Application of the Massachusetts Formula to IOUs and MLPs

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Row	Description	IOUs	MLPs
Net Investment in Pole Plant			
A	Total Gross Investment in Pole Plant (Acc't 364)	Form 1, page 207, cell g64	Annual Report, page 8B, cell g6
B	Accumulated Depreciation (Poles)	Estimated by proration based on ratio of pole to total dist. plant (KK * LL)	Calculated from directly reported amounts (A - D)
C	Accumulated Deferred Taxes ("ADT") (Poles)	Estimated by proration (MM * LL)	\$-0-
D	Net Investment in Pole Plant	A - B - C	Directly reported in Annual Report, page 17, cell g6
E	Net Investment in Appurtenances	D * 15% (rebuttable presumption)	D * 15% (rebuttable presumption)
F	Net Investment in Bare Pole Plant	D - E	D - E
G	Number of Pole Equivalents	Data in continuing property records	Data in continuing property records
H	Net Investment Per Bare Pole	F / G	F / G
Carrying Charges			
	Administrative		
I	Admin. Expense (Acc'ts 920-935) ¹	Form 1, page 323, cell b194 + cell b196	Annual Report, page 42, cell b4
J	Total Plant in Service ("TPIS")	Form 1, page 200, cell b3	Annual Report, page 8B, cell g30
K	Depreciation Reserve for TPIS	Form 1, page 200, cell b22	Calculated from directly reported amounts (J - M)
L	ADT (Acc'ts 281 - 282)	Form 1, pages 273 and 275	\$-0-
M	Net Plant in Service	J - K - L	Directly reported in Annual Report, page 17, cell g30
N	Administrative Carrying Charge	I / M	I / M

¹ IOU Account 935 (Maintenance of General Plant) is labeled Account 932 for MLPs.

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Row	Description	IOUs	MLPs
Carrying Charges (continued)			
	Tax		
O	Normalized Tax Expense (Acc'ts 408 – 411)	Form 1, page 114, cells c14 through c19	Contributions in Lieu of Taxes in Annual Report
P	TPIS	From 1, page 200, cell b3	Annual Report, page 8B, cell g30
Q	Depreciation Reserve for TPIS	Form 1, page 200, cell b22	Calculated from directly reported amounts (P – S)
R	ADT	Form 1, pages 273 and 275	\$-0-
S	Net Plant in Service	P – Q – R	Directly reported in Annual Report, page 17, cell g30
T	Tax Carrying Charge	O / S	O / S
	Maintenance		
U	Maintenance Expense (Acc't 593)	Form 1, page 322, cell b49	Annual Report, page 41, cell b18
V	Net Investment in Acc'ts 364, 365 and 369 ²	Sum of gross investment in Acc'ts 364, 365 and 369 less accumulated depreciation and ADT for each account (estimated by proration)	Sum of net investment in Acc'ts 364, 365 and 369; sum of actual figures in Annual Report, page 17, cells g6, g7 and g11
W	Maintenance Carrying Charge	U / V	U / V
	Depreciation		
X	Annual Depreciation for Poles	Form 1, page 337	3% unless revised percentage approved by DPU
Y	Gross Investment in Pole Plant (Acc't 364)	A	A
Z	Net Investment in Pole Plant	D	D

² In *Cablevision of Boston* and *A-R-Cable Services*, the DTE mislabeled this row "Net Investment in Poles."

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Row	Description	IOUs	MLPs
Carrying Charges (continued)			
	Depreciation (cont'd)		
AA	Gross/Net Adjustment	Y / Z	Y / Z
BB	Depreciation Carrying Charge	X * AA	X * AA
	Return		
CC	Rate of Return	Prescribed by DPU; see last IOU rate case	Cost of capital proxy – Phase II issue
Allocation of Usable Space			
DD	Assumed Cable Attachment Space	1.0 foot rebuttable presumption	1.0 foot rebuttable presumption
EE	Usable Space	13.5 feet rebuttable presumption	13.5 feet rebuttable presumption
FF	Usage Factor	DD / EE	DD / EE
Pole Attachment Rate			
GG	Net Investment Per Bare Pole	H	H
HH	Total Carrying Charge	N + T + W + BB + CC	N + T + W + BB + CC
II	Usage Factor	FF	FF
JJ	Calculated Rate	GG * HH * II	GG * HH * II
Other Calculations			
KK	Sum of Acc'ts 364, 365, 369 * Accumulated Depreciation for Distribution / Total Distribution Plant	Form 1, page 207 (cells g64, g65 and g69); Form 1, page 219, cell b26; Form 1, page 207, cell g75	\$-0-
LL	Acc't 364 / Sum of Acc't 364, 365, 369	Form 1, page 207, cells g64, g65 and g69	Annual Report, page 8B, cells g6, g7 and g11
MM	Sum of Acc'ts 364, 365, 369 * ADT / Total Electric Plant	Form 1, page 207 (cells g64, g65 and g69); Form 1, pages 273 and 275; Form 1, page 200, cell c22	\$-0-